

Executive summary

Diversity is one of the increasing concerns that organisation has to deal in is organisation and the market it operates in. With many studies addressed this global trend, there is merely any suggestion that can effectively capture the advantage underpinning in the diversity. A diversified team requires leader to implement different techniques in dealing with issues such as teamwork, motivation, performance, communication and also leadership. It is in urge for many organisations to develop and obtain talented leaders that have the ability to manipulate diversification. “Star Employee” programme is hope to capture the talent individuals within organisation, train those individuals with better understanding in diversity and hopefully gain abilities to capture the advantages of diversity.

Literature Review

There have been many studies addressing different issues in dealing with diversifications. Whether it is the cross-cultures, individual experiences or organisational cultures, it creates challenges and opportunities for manager while striving towards the organisational goal.

There are studies concerning in diversity and recommendations made in order to ease its impact. From Kvedaraviciene and Boguslauskas’s (2010) study in company and national cultural diversity during outsourcing arrangements, Danciu’s (2010) emphasis on the importance to understand diversity during international negotiations, to Bouncken and Winkler (2010) and Brett, Behfar, and Kern’s (2006) studies in problems caused by team diversity, and Kuin’s (1972) suggestion of desired ability in manager to lead a diversified team. (Kvedaraviciene & Boguslauskas, 2010; Danciu, 2010; Bouncken & Winkler, 2010; Brett, Behfar & Kern, 2006; and Kern, 1972)

Despite those address and emphasise the importance in recognising diversity, there’s merely comprehensive suggestion that could achieve total success in managing people

from different backgrounds.

Introduction

Today, businesses are dealing with customs in another region, nation, or continent easier than ever before. Individuals are moving to other locations and working different values and knowledge. This forces businesses and managers to deal with others in diversified backgrounds. There are two types of diversity according to McFarlin and Sweeney's (2003) study, the Cross-national Diversity deals with others in another nation and interaction with individuals in a specific country with different races, ethnics and experiences etc. (McFarlin & Sweeney, 2003, P.368) Diversity is a challenge for manager and organisation to overcome. It also represents an opportunity to release synergy once correctly handled. This study is to discuss the implementation of leadership developing programme that can potentially unleash synergy and capture the advantage of diversity.

Discussion

Diversity in workforce and business environment is now inevitable. It requires manager to be vigilant in dealing with others with different value, experience, belief and knowledge. It is also important for organisation to understand the potential impact from diversity and capture the opportunities within. Diversity is understood to cause potential issues in areas like teamwork, performance, motivation, communication and leadership.

Teamwork

According to McShane and Travaglione's (2009) conclusion, team is a group of two or more people who interact with and influence each other, are mutually accountable for achieving common objectives, and perceive themselves as a social entity within an organisation. There are two different types of team, Homogeneous and heterogeneous

teams. (McShane & Travaglione, 2009, P.266 & 273) In many countries like New Zealand, United States, and Australia, the existence of a purely homogeneous team is now considered very hard to find even in schools and military forces.

Instead, heterogeneous team containing members from different backgrounds is a more common trend. The classical example is the Massey MBA students form study team with members from different nationality, age, gender and experience to complete team assignments. The ability to combine all diversified backgrounds can potentially release advantage in achieving the team goal. However, diversification can also lead to devastating failure if potential issues are not appropriately considered and solved. For example, if team cannot make effective progression on forming the value, and norm. It will likely to collapse and end up fail to achieve the team goal.

Motivations

Motivation drives individual to perform tasks and achieve results. McFarlin and Sweeney (2003) summarise and examine both basic types of motivation theories. Maslow's Hierarchy of Needs and Herzberg's two-factor theory in the Content Motivation Theory comparing to Equity theory, Reinforcement theory, Goal theory and Expectancy theory in the Process Motivation Theory. (McFarlin & Sweeney, 2003, P.322-331). Individual team member somehow is motivated by different factors in performing group tasks. In this case, it relays on individual's cultural background, social status, competencies and so on to determine the type of motivation is most effective to that individual.

In this essence, individual from stronger power distanced culture according to Hofstede's cultural dimension cited in McFarlin and Sweeney's (2003) study is likely to be motivated by the need for self-actualisation in the content motivation theory. (McFarlin & Sweeney, 2003, P.119) This is also found by Uy, Murphy, and Greenwood's (2010) study in diversification amongst western and eastern male and

females. (Uy, Murphy, & Greenwood, 2010, P.13) Further example is that individual with more past achievements is likely to be motivated by different factors than individual who is young and ambitious to one's career development. Discovering the accurate motivational factor for different team member is very important. Otherwise the likelihood of poor team performance or even team termination is likely to occur.

Performance

Performance of individual team member is the direct consequence of motives and it affects individual attributions within the team and further affects the effectiveness of the team. In this case, a highly effective team should be able to efficiently achieve team tasks within given timeframe to a satisfactory level. McShane and Travaglione (2009) suggest that team effectiveness is the extent to which a team achieves its objectives, achieves the needs and objectives of its members and sustains itself over time. (McShane & Traveglione, 2009, P.269) As team members have different background and hold different distinctive values. The motivational drive that strive the individual is somewhat different which varies one's performances. McFarlin and Sweeney (2003) mention that individualism and collectivism dimension is the most widely studied cultural dimension while they evaluate Hofstede's six cultural dimensions in their publication. (McFarlin & Sweeney, 2003, P.118-119) For an example, individual from collectivism culture may weight higher to team mutual performance whereas individualism cultural individual might strive for personal achievement within the team.

Giving the fact that member within a diversified team will weight individual performance and group performance differently. It is very important that performance measure to be implemented accordingly so individual would not be measured against efforts. In this case, it is best to have a balance in group performance and individual performance measures that enable accurate rewards to member's performance as an individual as well as a team. Wrongfully implemented performance measures will

potentially harm individual's motivation that can potentially cause disconnection with the rest of the team and eventually cause team dysfunction.

Communication

As McShane and Travaglione (2009) describe communication channel in their study as sender form and encode message to transmit to receiver, receiver then decode and interpret the message, receiver form and encode feedback to transmit back to sender, and lastly sender receive and decode the feedback. (McShane & Travaglione, 2009, P.327) (Exhibit 1) During the communication process, the encode message can be easily decode and interpret incorrectly. Misunderstanding in communication is one of the courses that likely to cause conflicting situation.

Misunderstanding message content from diversified team member can lead up to a devastating situation. In this case, cultural context is recognised by McFarlin and Sweeney (2003) as one era that could potentially cause miscommunication. They summarise that country like New Zealand and Australia have low cultural context that embed meaning directly into the message. High cultural context countries such as China and Japan are likely to hide message within the message. (McFarlin & Sweeney, 2003, P.195-197) (Exhibit 2) Furthermore, communication styles amongst genders, and various experiences are different as well. Adapting an appropriate communication style is vital for team members and managers to reduce conflict in miscommunication.

Leadership

Both McFarlin and Sweeney (2003), McShane and Travaglione (2009) acknowledge the subject of leadership has been vastly researched and studied. Chrobot-Mason, Ruderman, Weber, Ohlott, and Dalton (2007) summarised from O'Connor and Quinn (2004), Van Velsor and McCauley's (2004) studies and define the leader is individual with formal organisational authority who engage in processes and actions that lead to shared direction, alignment and commitment. (McFarlin & Sweeney, 2003, P.333)

(McShane & Travaglione, 2009, P.414) (Chrobot-Mason, Ruderman, Weber, Ohlott, & Dalton, 2007, P.2016) As individual's personalities and other backgrounds are different, there is a number of existing leadership styles that has proven to be successful.

Leader provides direction and motivation to the members, it is very important for the leader to use appropriate styles to ensure that the team effectively achieves its objectives within acceptable timeframe. Leading a diversified team is extremely difficult for leader as individual motives are different from one's background. For example, the desire of individual achievement is likely a motive to western team member whereas eastern member may satisfy more from team achievement. It is important that leader utilises various knowledge and techniques to motivate the diversified team in achieving team objective effectively.

Recommendation

In light of developing successful manager that is capable to explore and utilise advantages in diversified team. It is necessary for organisation to set up a programme that gathers talent individuals across departments, regions and countries. "Star Employee" programme selects individual with the best attributions to organisation from various performance measures. Once individuals are selected and gathered, the organisation then shall establish a team that contains different personal backgrounds. Working together through a number of projects over a considerable length of time, those individuals then is ready to take up leadership roles in the organisation and will have the knowledge in leading and participating in a diversified organisational environment.

Teamwork

The programme shall form selected individuals into a team that members from a diversified background. Working under this diversified environment will enable

individual member to gain sufficient experience in working effectively alongside others with different viewpoints and achieve team objectives effectively.

Motivation

The motivation to selected individuals is the opportunity to progress to a leadership role at the end of programme. Along with monetary rewards that individual will qualify for after successfully completing the programme, the social recognition within the organisation is another mean of motive for individual to participate such programme.

Performance

Whilst the motive amongst different individual differs, the aim for the performance measure is to ensure that individuals fulfil both personal and group tasks. In this case, the performance shall focus on measuring both individual achievement and team achievement. Grand rewards base on both objectives stimulate individual to perform well under both situation and capture the highest reward.

Communication

One of the key objectives for the programme is for individual to gain ability to interpret messages accurately from diversified members and also obtains skills to communicate effectively with others from all walks of life. Regular communication shall occur amongst members in the programme at minimum. However, it is understandable that sometime geographical locations affect the opportunity for face to face communication. To such extent, regular teleconferences that allow individuals to see each other's faces is very necessary.

Leadership

Throughout the programme, each individual shall have the opportunity to lead the team working on a given project. Providing such opportunity ensures that individual develop and define one's leadership style in a diversified team environment. This also

enables the individual be ready to take up leadership role with well established knowledge in leading diversified team.

Limitation

Despite the programme gives individual an opportunity to learn the best way to capture advantages while leading a diversified team. However, it can also be quite costly for organisation to roll out such programme.

In case of a multinational organisation gathering its “Star employee” from all corners of the world, the selection criteria is very difficult for the organisation to determine without any favours and biases.

The location of the programme is also a difficult agenda as it involves cost and operational effectiveness.

And finally the cost of individual’s travel, living and family arrangements can be somewhat costly to the organisation as well.

Reference

- Blankenship, D., Hollier, G., Jones, I. S., & Lovett, M. (2010, November 1). *Assessing business students' sensitivity to diversity issues within in a MSI: implications for continuous curriculum improvement*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=d07b8d54-08a7-45fc-9819-b447623ffc6d%40sessionmgr13&vid=12>
- Bouncken, R. B., & Winkler, V. A. (2010, February 1). *National and cultural diversity in transnational innovation teams*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=733151fa-010d-4176-900e-6c2f358fa8a3%40sessionmgr11&vid=2>
- Brett, J., Behfar, K., & Kern, M. C. (2006, November 1). *Managing Multicultural Teams*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=fbce19fc-6ab0-4830-9bc8-bc2667030ed9%40sessionmgr4&vid=2>
- Chadraba, P. G., & O'Keefe, R. D. (2010, November 1). *Human resources: interculturalisation as an asset in the global marketplace*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=f5a840ba-6da9-42f9-b7e0-a4759cbabb87%40sessionmgr12&vid=2>
- Chavez, C. I., & Weisinger, J. Y. (2008, June 1). *Beyond Diversity Training: a Social Infusion for Cultural Inclusion*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=73f7aee8-08b7-4829-9f55-7d58d8a8c330%40sessionmgr15&vid=2>
- Chen, I. C., & Ha, J. W. (2010, July 1). *A Comparison of Cultural Impact on Asian MNC's Merge with Western MNC*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=bcfc4bb8-e123-4f13-95c6-9ff3c32e04a3%40sessionmgr10&vid=2>
- Cho, H. J., Jin, B., & Cho, H. (2010, September 1). *An examination of regional differences in China by socio-cultural factors*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=1d67445f-cf45-459e-9a94-9795d12e711a%40sessionmgr11&vid=2>
- Chou, L. (2010, October 1). *Cultural Ecology: An Environmental Factor of Born Globals' Success*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=727c722c-0061-4e19-aef0-33565983e14b%40sessionmgr11&vid=2>
- Chrobot-Mason, D., Ruderman, M. N., Weber, T. J., J., O. P., & Dalton, M. A.

- (2007, November 1). *Illuminating a cross-cultural leadership challenge: when identity groups collide*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=bb6d9806-497e-46de-b42b-63475f600edc%40sessionmgr13&vid=2>
- Cojocar, M. (2010, November 2). *Impact of culture on global marketing*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=328024c9-bdad-43a1-a91b-4f0e55136f8d%40sessionmgr12&vid=2>
 - Danciu, V. (2010, August 1). *The impact of the Culture on the International Negotiations: An Analysis Based on Contextual Comparisons*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=05bb573a-e449-4ca5-b456-6da9b6966f2a%40sessionmgr12&vid=2>
 - DE Wit, B., & Meyer, R. (2004). *Strategy: Process, Content, Context an international perspective* (3rd Edition ed.). London, United Kingdom: South-Western Cengage Learning.
 - Egan, M. L., & Bendick Jr., M. (2008, September 1). *Combining Multicultural Management and Diversity Into One Course on Cultural Competence*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=982ac245-40c4-4611-89e8-828117ac0bf3%40sessionmgr4&vid=2>
 - Figiel, V. L., & Sasser, M. A. (2010, December 15). *Factors Contributing to Employee Decisions to Ignore Diversity Policies*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=98088c75-2d8f-43ee-8182-63fe24fee727%40sessionmgr11&vid=2>
 - Frese, W., & Althol, V. (2009, September 1). *Culture-related differences in process efficiency in corporations as a competitive factor*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=16c0728a-d8a8-4761-860a-3bf228c28463%40sessionmgr4&vid=2>
 - Gahan, P., & Abeysekera, L. (2009, January 1). *What shapes an individual's work values? An integrated model of the relationship between work values, national culture and self-construal*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=507482eb-5854-4404-a3fb-c3149b35646f%40sessionmgr12&vid=2>
 - Graham, M. E., Kennavane, E., & Wears, K. H. (2008, September 1). *Diversity Management Content in Introductory Human Resource Management Textbooks*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=a6994a92-d04a-4960-81a4-e45c39504e47%40sessionmgr13&vid=2>
 - Humes, M., & Reilly, A. H. (2008, February 1). *Managing Intercultural Teams: The EOrganization Exercise*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/detail?hid=14&sid=2ecbb8>

08-4946-4ea0-81ab-be03658fabe2%40sessionmgr15&vid=2

- Kuin, P. (1972, November 1). *The magic of multinational management*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=35f53c6f-98bd-4552-8d34-3d648a892bef%40sessionmgr11&vid=2>
- Kumar, R., & Uz Kurt, C. (2010, November 1). *Investigating the effects of self efficacy on innovativeness and the moderating impact of cultural dimensions*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=b8e9ff8a-377e-4bc4-b1f5-e3745636b6e9%40sessionmgr11&vid=2>
- Kvedaraviciene, G., & Boguslauskas, V. (2010, April 1). *Underestimated Importance of Cultural Differences in Outsourcing Arrangements*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=05cd2064-ea5a-4273-98b9-fcf7db804dc%40sessionmgr10&vid=2>
- Leitner, K. (2008, May 1). *Cultural diversity: making staff differences work*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=8b91c688-cbe1-4253-8a4d-7190b6c4170e%40sessionmgr14&vid=2>
- Leveson, L., Joiner, T. A., & Bakalis, S. (2009). *Managing cultural diversity and perceived organizational support*. Retrieved February 17, 2011, from Emerald Research you can use:
[http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/resultsadvanced?hid=14&sid=97185830-1be6-4e3d-b5ef-35ceaada14b1%40sessionmgr4&vid=15&bquery=\(XX+%22moderating%22%5b100%5d+AND+\(XX+%22efficacy%22%5b85%5d+OR+XX+%22investigating%22%5b78%5d+OR+XX+%22dimensi](http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/resultsadvanced?hid=14&sid=97185830-1be6-4e3d-b5ef-35ceaada14b1%40sessionmgr4&vid=15&bquery=(XX+%22moderating%22%5b100%5d+AND+(XX+%22efficacy%22%5b85%5d+OR+XX+%22investigating%22%5b78%5d+OR+XX+%22dimensi)
- Lopez-Duarte, C., & Vidal-Suarez, M. M. (2010, April 22). *External uncertainty and entry mode choice: Cultural distance, political risk and language diversity*. Retrieved February 17, 2011, from Science Direct:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/detail?hid=14&sid=2afa608c-80bb-46cd-8c2b-bdbb622ac0cb%40sessionmgr15&vid=2>
- McFarlin, D. B., & Sweeney, P. D. (2003). *International Management: Strategic Opportunities and Cultural Challenges* (2nd Edition ed.). Boston, MA, United States of America: Houghton Mifflin Company.
- McShane, S., & Travaglione, T. (2009). *Organisational Behaviour on the Pacific Rim* (2nd Edition ed.). Sydney, NSW, Australia: McGraw Hill Australia Pty Limited.
- Parham, P. A., & Muller, H. J. (2008, September 1). *Review of Workforce Diversity Content in Organizational Behavior Texts*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=0242e443-cf3f-4884-8606-b764eda00e7f%40sessionmgr4&vid=2>
- Rubaii-Barrett, N., & Beck, A. C. (1993, December 1). *Minorities in the Majority: Implications for Managing Cultural Diversity*. Retrieved February 17, 2011, from

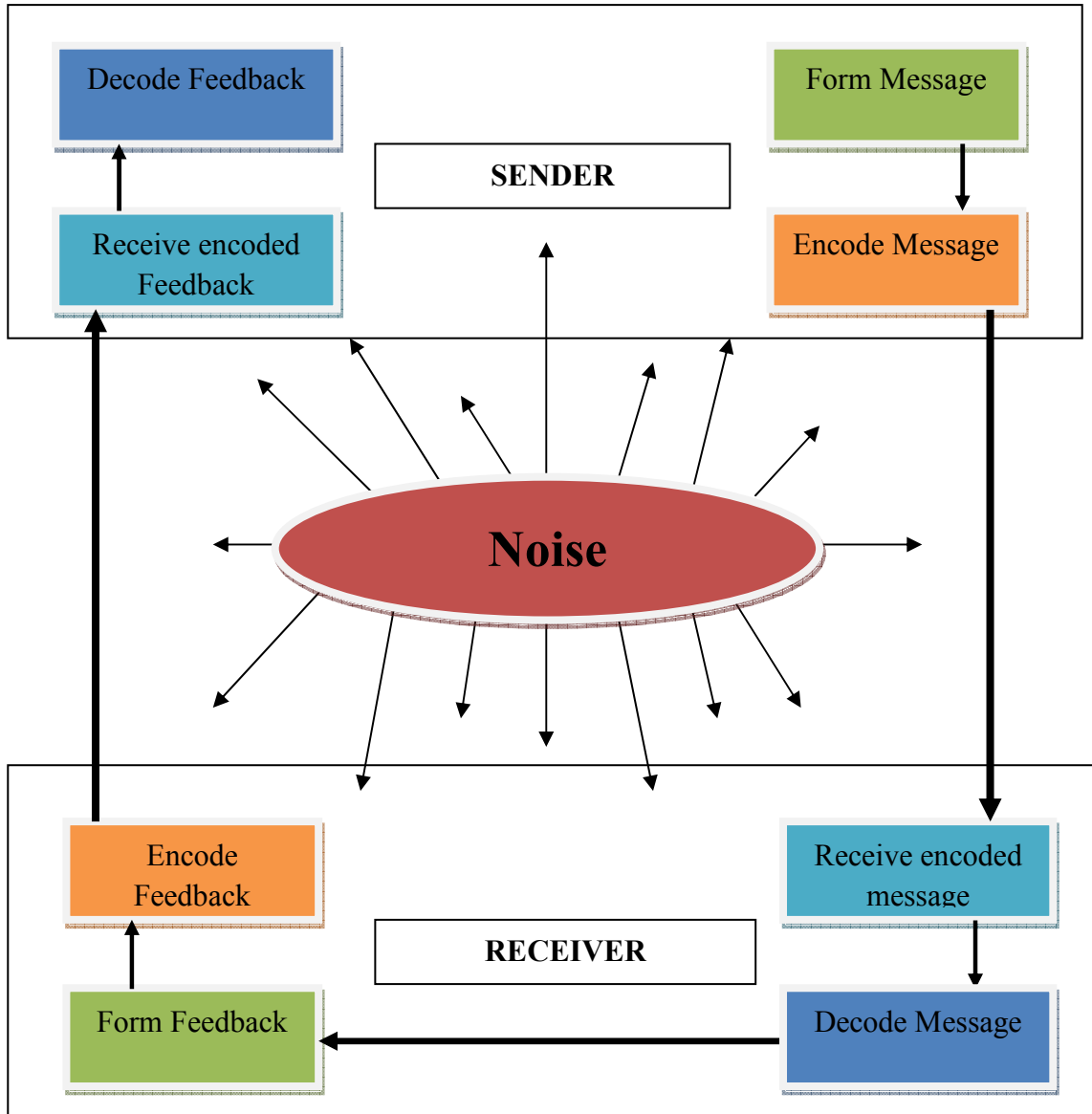
EBSCO Host:

<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=f501a722-8a7b-4270-b432-dd47a01ab912%40sessionmgr4&vid=2>

- Syed, J., & Murray, P. A. (2008, June 1). *A cultural feminist approach towards managing diversity in top management team*. Retrieved February 17, 2011, from Emerald Research you can use:
<http://www.emeraldinsight.com.ezproxy.massey.ac.nz/journals.htm?articleid=1733185&show=html>
- Turnbull, H., Greenwood, R., Tworoger, L., & Golden, C. (2009, April 1). *Diversity and inclusion in organizations: Developing an instrument for identification of skill deficiencies*. Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=35bbd751-6bdf-4010-a493-88bc9ad8ce43%40sessionmgr10&vid=2>
- Ujah, N. U., Okafor, C. E., & Elkassabgi, A. (2010, September 1). *Cultural Change, National Competitiveness, Economic Activity, Corruption: Any Commonality?* Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=30dfa762-10b8-4917-aa11-480a0e9185fe%40sessionmgr13&vid=7>
- Uy, A. O., Murphy, E. F., & Greenwood, R. A. (2010, July 1). *Values of Females and Males in the East and West: Are They Similar or Different?* Retrieved February 17, 2011, from EBSCO Host:
<http://web.ebscohost.com.ezproxy.massey.ac.nz/ehost/pdfviewer/pdfviewer?hid=14&sid=ca0e7026-9d52-4e9e-baf3-c4bc9933d69b%40sessionmgr15&vid=2>

Exhibits

1. Communication Channel



(Source: Diagram retrieved from McShane & Travaglione, 2009, P.327, "The Communication Process Model")

2. Communicating between different culture contex

Communication Feature	Low Context	High Context
General Approach	Direct/explicit	Indirect/complex
Degree of precision	Literal/exact	Approximate/relative
Dependence on words	High	Low
Nonverbal dependence	Low	high
View of silence	Negative; poor/no communication	Positive; good communication
Attention to details	High	Low
Value placed on intentions	Low	High

(Source: Victor, D. A. (1992), *International Business Communication*, 153, New York; Harper Collins. Adapted by McFarlin & Sweeney, 2003, P.196, Exhibit 6.9)